

ELECTRONICALLY FILED
AUGUST 29, 2006

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10 *Counsel for the Official Committee of Equity Security
11 Holders of USA Capital First Trust Deed Fund, LLC*

12 **UNITED STATES BANKRUPTCY COURT
13 DISTRICT OF NEVADA**

| | | |
|----|--|---------------------|
| 14 | In re: |) BK-S-06-10725-LBR |
| 15 | USA COMMERCIAL MORTGAGE COMPANY |) Chapter 11 |
| 16 | Debtor |) |
| 17 | In re: |) BK-S-06-10726-LBR |
| 18 | USA CAPITAL REALTY ADVISORS, LLC, |) Chapter 11 |
| 19 | Debtor |) |
| 20 | In re: |) BK-S-06-10727-LBR |
| 21 | USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC, |) Chapter 11 |
| 22 | Debtor |) |
| 23 | In re: |) BK-S-06-10728-LBR |
| 24 | USA CAPITAL FIRST TRUST DEED FUND, LLC, |) Chapter 11 |
| 25 | Debtor. |) |
| 26 | In re: |) BK-S-06-10729-LBR |
| 27 | USA SECURITIES, LLC, |) Chapter 11 |
| 28 | Debtor. |) |
| | Affects |) |
| | <input type="checkbox"/> All Debtors |) |
| | <input type="checkbox"/> USA Commercial Mortgage Co. |) |
| | <input type="checkbox"/> USA Securities, LLC |) |
| | <input type="checkbox"/> USA Capital Realty Advisors, LLC |) |
| | <input type="checkbox"/> USA Capital Diversified Trust Deed |) |
| | <input checked="" type="checkbox"/> USA First Trust Deed Fund, LLC |) |

28 **NOTICE OF ENTRY OF STIPULATION AND ORDER**

1 **NOTICE OF ENTRY OF STIPULATION AND ORDER CONTINUING HEARING ON**
2 **OBJECTION OF THE OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS**
3 **OF USA CAPITAL FIRST TRUST DEED FUND, LLC TO PROOF OF CLAIM FILED**
4 **BY PROSPECT HIGH INCOME FUND, ML CBOIV (CAYMAN) LTD, PAMCO**
5 **CAYMAN, LTD., PAM CAPITAL FUNDING, L.P., HIGHLAND CRUSADER FUND,**
6 **LTD., AND PCMG TRADING PARTNERS XXIII, L.P. (AFFECTS DEBTOR USA**
7 **CAPITAL FIRST TRUST DEED FUND, LLC)**

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PLEASE TAKE NOTICE that a Stipulation and Order Continuing Hearing on Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC to Proof of Claim filed by Prospect High Income Fund, ML CBOIV (Cayman) Ltd, Pamco Cayman, Ltd., Pam Capital Funding, L.P., Highland Crusader Fund, Ltd., and PCMG Trading Partners XXIII, L.P. (Affects Debtor USA Capital First Trust Deed Fund, LLC) was entered on August 25, 2006, a true and correct copy of which is attached hereto.

DATED this 29th day of August, 2006.

SHEA & CARLYON, LTD.



CANDACE C. CARLYON, ESQ.
Nevada Bar No. 002666
SHLOMO S. SHERMAN, ESQ.
Nevada Bar No. 009688
233 S. Fourth Street, Second Floor
Las Vegas, NV 89101



The stipulation for continuance is approved. However Highland Capital shall file any response at least fifteen days before the hearing. Any reply shall be filed at least five days before the hearing.

Entered on Docket
August 25, 2006

**Hon. Linda B. Riegle
United States Bankruptcy Judge**

6 STUTMAN, TREISTER & GLATT, P.C.
7 FRANK A. MEROLA
(CA State Bar No. 136934)
8 EVE H. KARASIK
(CA State Bar No. 155356)
9 ANDREW M. PARLEN
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11 Counsel for the Official Committee Of
12 Equity Security Holders Of USA Capital First Trust Deed Fund, LLC
13
14 SHEA & CARLYON, LTD.
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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA**

16 In re:) BK-S-06-10725-LBR
17 USA COMMERCIAL MORTGAGE COMPANY,) Chapter 11
Debtor.)

In re:
USA CAPITAL REALTY ADVISORS, LLC.
Debtor

In re:
USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
Debtors
BK-S-06-10727-LBR
Chapter 11

In re:
USA CAPITAL FIRST TRUST DEED FUND, LLC,
Case No. BK-S-06-10728-LBR
Chapter 11

23 Debtor. BK-S-06-10729-LBR
24 In re: Chapter 11
25 USA SECURITIES, LLC.

Affects Debtor.

AN

- USA Commercial Mortgage Co.
- USA Securities, LLC
- USA Capital Realty Advisors, LLC
- USA Capital Diversified Trust Deed
- USA First Trust Deed Fund, LLC

1 STIPULATION AND ORDER CONTINUING HEARING ON OBJECTION OF THE
2 OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS OF USA CAPITAL
3 FIRST TRUST DEED FUND, LLC TO PROOF OF CLAIM FILED BY PROSPECT
4 HIGH INCOME FUND, ML CBOIV (CAYMAN) LTD, PAMCO CAYMAN, LTD., PAM
5 CAPITAL FUNDING, L.P., HIGHLAND CRUSADER FUND, LTD., AND PCMG
6 TRADING PARTNERS XXIII, L.P. (AFFECTS DEBTOR USA CAPITAL FIRST TRUST
7 DEED FUND, LLC)

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IT IS HEREBY STIPULATED and AGREED by and between the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC (the "FTD Fund Committee") by and through its attorneys Stutman, Treister & Glatt P.C. and Shea & Carlyon, Ltd., and Prospect High Income Fund, ML BCOIV (Cayman) Ltd., Pamco Cayman, Ltd., Pam Capital Funding, L.P., Highland Crusader Fund, Ltd., and PCMG Trading Partners XXIII, L.P. (collectively, "Highland Capital") by and through their attorneys Rawlings, Olson, Cannon, Gormley & Desruisseaux, as follows:

WHEREAS on June 7, 2006, Highland Capital filed a proof of claim (the "Highland Capital Claim") asserting a \$20 million general unsecured claim against USA Capital First Trust Deed Fund, LLC (the "FTD Fund"), which claim is claim number 16 on the FTD Fund claims register;

WHEREAS on August 1, 2006, the FTD Fund Committee filed an objection to the Highland Capital Claim (the "Highland Capital Claim Objection") [docket no. 1068] on the grounds that the Highland Capital Claim is based on a lawsuit against USA Capital Diversified Trust Deed Fund, LLC, and that, accordingly, the FTD Fund has no liability on account of such claim;

WHEREAS the FTD Fund Committee properly noticed the hearing on the Highland Capital Claim Objection for August 31, 2006 at 9:30 a.m.;

WHEREAS the FTD Fund Committee and Highland Capital have agreed to continue the hearing on the Highland Capital Claim Objection to allow the parties more time to investigate the Highland Capital Claim;

NOW, THEREFORE, the FTD Fund Committee and Highland Capital hereby stipulate and agree as follows:

1 1. The hearing on the Highland Capital Claim Objection shall be continued
2 for approximately sixty (60) days to the omnibus hearing date scheduled for October 30, 2006 at
3 9:30 a.m.

4 2. Pursuant to Rule 3007(b) of the Local Rules of Bankruptcy Practice, the
5 deadline for Highland Capital to respond to the Highland Capital Claim Objection shall be 5
6 business days before the hearing on the Highland Capital Claim Objection.

7
8 Dated this 23rd day of August, 2006.

9 By: Chris M. Pera

10 FRANK A. MEROLA (CA State Bar No. 136934),
11 EVE H. KARASIK (CA State Bar No. 155356), and
12 ANDREW M. PARLEN (CA State Bar No. 230429), Members of
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Los Angeles, CA 90067
Telephone: (310) 228-5600

15 and

16 CANDACE C. CARLYON
17 Shea & Carlyon, Ltd.
18 233 S. Fourth Street, Suite 200
Las Vegas, NV 89101
19 Telephone: (702) 471-7432
COUNSEL FOR THE
20 OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS
OF USA CAPITAL FIRST TRUST DEED FUND, LLC

21 By: _____
22 CICI CUNNINGHAM (_____)

23 RAWLINGS, OLSON, CANNON, GORMLEY & DESRRUISSEAUX
9950 West Cheyenne Avenue
24 Las Vegas, NV 89129
Telephone: (702) _____

25 COUNSEL FOR PROSPECT HIGH INCOME FUND,
ML CBO IV (CAYMAN), LTD., PAMCO CAYMAN, LTD.,
PAM CAPITAL FUNDING, L.P., HIGHLAND CRUSADER FUND, LTD.,
26 AND PCMG TRADING PARTNERS XXIII, L.P.

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3 9:30 a.m.

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5 deadline for Highland Capital to respond to the Highland Capital Claim Objection shall be 5
6 business days before the hearing on the Highland Capital Claim Objection.
7

8 Dated this ____ day of August, 2006.

9 By: _____
10

11 FRANK A. MEROLA (CA State Bar No. 136934),
12 EVE H. KARASIK (CA State Bar No. 155356), and
13 ANDREW M. PARLEN (CA State Bar No. 230429), Members of
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18 and

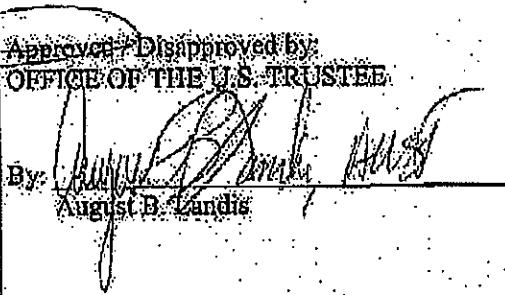
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24 COUNSEL FOR THE
25 OFFICIAL COMMITTEE OF EQUITY SECURITY HOLDERS
26 OF USA CAPITAL FIRST TRUST DEED FUND, LLC
27

28 By: 

29 CICI CUNNINGHAM (4901)
30 RAWLINGS, OLSON, CANNON, GORMLEY & DESRRUISSAUX
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35 ML CBO IV (CAYMAN), LTD., PAMCO CAYMAN, LTD.,
36 PAM CAPITAL FUNDING, L.P., HIGHLAND CRUSADER FUND, LTD.,
37 AND PCMG TRADING PARTNERS XXIII, L.P.
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Approved/Disapproved by
OFFICE OF THE U.S. TRUSTEE

By: 
August B. Zandis

ORDER

IT IS SO ORDERED.

PREPARED AND SUBMITTED by:

STUTMAN, TREISTER & GLATT, P.C. and
SHEA & CAREY LTD.

By: 
Christine M. Pajak, Esq.
Shlomo S. Sherman, Esq.
Attorneys for the Official Committee of
Equity Security Holders of USA Capital First
Trust Deed Fund, LLC